

Amendment No. 2 to HB2177

Sargent
Signature of Sponsor

AMEND Senate Bill No. 2184

House Bill No. 2177*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, is amended by adding a new part 11 to read as follows:

71-5-1101. As used in this part:

(1) "Alternative payment system" means a payment methodology used by a healthcare payor that includes a risk-sharing or gain-sharing component for a physician who participates in a plan, program, or network offered by the healthcare payor;

(2) "Healthcare payor" means the state or any health insurance company, health maintenance organization, or managed care organization contracted with by the state to provide, arrange, or pay for medical assistance provided under this chapter in the TennCare program;

(3) "Gain-sharing payment" means an increase in a payment or additional payment made by a healthcare payor to a physician, or a group practice of which the physician is a member, as a result of patient care costs that fall below cost thresholds set by the healthcare payor;

(4) "Risk-sharing payment" means a reduction in a payment to a physician, or group of which a physician is a member, or refund of a payment already made to the physician, or a recoupment applied against payments for future services provided by that physician, as a result of patient care costs that exceed cost thresholds set by the healthcare payor; and

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(5) "TennCare" means the medical assistance program operated under this chapter.

71-5-1102. A healthcare payor using an alternative payment system shall provide an end-of-year report to any physician against whom the payor assesses a penalty for cost of care or quality of care that is not acceptable. The end-of-year report shall include, with respect to any reporting year for which a penalty is imposed, an itemized claim-level break down of the episodes of care that fall above the penalty threshold and shall be provided within a reasonable period of time from the request.

71-5-1103. A physician who receives claims data that includes negotiated rates pursuant to § 71-5-1102 shall not distribute any negotiated rates data to other providers who render care with respect to any episode of care covered in the data or to any other persons.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.